



The Article 29 Working Party gives guidance regarding on-line authentication systems

The European Union's Data Protection Authorities meeting at the "Article 29 Working Party" have issued today a document on on-line authentication services which relates to two important initiatives at present: the Microsoft .NET Passport system and the Liberty Alliance Project. It concludes with specific guidelines to be applied by those services and by any other present or future on-line authentication system¹.

It also expresses the commitment of Microsoft to substantially modify the .NET Passport system, involving in particular a radical change of the information flow. The most important consequence is that users will be fairly and thoroughly informed and empowered to decide as to which data they want to provide and under which conditions these data will be processed by Microsoft or by the participating websites. In order to address the concerns expressed by the Working Party in a document of June 2002, Microsoft has publicly committed itself to take, within an agreed timetable, many steps involving essential changes to the system.

The Working Party has established a dialogue with Microsoft to reflect on the compliance of the .NET Passport system with the rules of the European Data Protection Directive and to consider the need for changes in the system.

The Working Party is convinced that the outlined changes in the Microsoft .NET Passport system, once fully implemented, will give users much better protection for their personal data. The Working Party will closely monitor the deployment and the implementation of the measures announced by Microsoft.

The document also contains a chapter on the Liberty Alliance project, which is an ad hoc project in which different companies participate with the aim of establishing open standards for federated network identity through open technical specifications. This project is based on a different approach that involves no centralised database. The document contains some first considerations as to the issues that could be at stake at this stage of development of the project and in the future and guidelines of general application for any present or future on-line authentication system.

The Working Party also takes note of the concerns expressed by non-governmental organisations and encourages those designing or implementing on-line authentication systems to take into account the guidelines contained in this document in order to

¹ The purpose of such systems is to allow users who have registered and provided some form of identification, often including an e-mail address, and a form of verification, often a password, to navigate through participating sites without having to introduce a different password for each one of the sites.

The Working Party has been established by Article 29 of Directive 95/46/EC. It is the independent EU Advisory Body on Data Protection and Privacy. Its tasks are laid down in Article 30 of Directive 95/46/EC and in Article 14 of Directive 97/66/EC. The Secretariat is provided by:

The European Commission, Internal Market DG, Functioning and impact of the Internal Market. Coordination. Data Protection.

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ensure that systems put in place respect the requirements of the European Data Protection Directive.

Due to the evolving nature of the Microsoft .NET Passport system, of the Liberty Alliance project and of other similar authentication services, the Working Party will continue monitoring future developments in this field. In particular, two issues need further consideration: the current electronic advertisement communication within Hotmail and the use of identifiers both by the .NET Passport system and by the Liberty Alliance project.

For more information please consult the full text of the working document that will be soon available at:

http://europa.eu.int/comm/internal_market/en/dataprot/wpdocs/index.htm

The Working Party welcomes comments and reactions from any interested party and group.